## Joint Legislative Committee To Review the Master Plan for Higher Education Dr. Jack Scott, Chancellor California Community Colleges December 7, 2009

Fifty years ago the California Legislature appointed a task force to formulate a Master Plan for Higher Education. One year later, in 1960, this commission completed the Master Plan, which was subsequently adopted by the legislature. To read over the list of the contributors to this Master Plan is to recall the names of educational giants in California higher education—Clark Kerr, Glenn Dumke, Arthur Coons, Bill Priest, Stuart Marsee, and Norman Topping, to name but a few.

And this Master Plan has proved to be remarkably successful. It clearly delineated the functions of the three segments of higher education—the University of California, California State University, and California Community Colleges. It also provided a blueprint for the unprecedented expansion of colleges and universities in this state for subsequent decades. It also served as a model for many states and even for other nations.

In some ways, the Master Plan for Higher Education can be compared to the U.S. Constitution. Just as the U.S. Constitution is still the framework for our nation's governance, the Master Plan for Higher Education is the framework for higher education in California. Yet even as the Constitution has been amended, so has the Master Plan. Sadly, the original commitment that "tuition-free higher education is in the best interests of the state" has crumbled under economic pressures. Statewide initiatives have impacted the Master Plan. Proposition 13, passed in 1978, lowered property taxes, which was an important revenue source for education. Later Proposition 98 locked in approximately 40% of state income to K-14. Time does not permit me to enumerate all the amendments to the Master Plan, but changes have occurred; some major, some minor.

One could ask the question, "Is it wise to revisit the Master Plan as this joint committee is now doing?" Certainly. For one thing, present conditions in this state are vastly different from 1960. To illustrate, I will cite two major differences.

First, there has been a major demographic shift in California in the past fifty years. In 1960, California was a predominantly Caucasian state; today persons of color are a majority in California. This demographic shift is clearly evident in the student body of our colleges and universities. This new reality obviously has implications for curriculum, hiring practices, and many other phases of the operation of our colleges and universities.

Second, there has been a change in California's economy in the past half-century. Our economy today is much more global and technological than it was in 1960. In a recent study, the Public Policy Institute concluded that in 2025, 41% of Californians would need a bachelor's degree for the available jobs; yet at our present rate of production of college diplomas, only 35% of those in the job market will possess that degree. We are not keeping pace with the changing economy of our state.

And, frankly, a look at our present and future expenditures on higher education in this state is not encouraging. In 1965, five years after the adoption of the Master Plan, the state was spending 17% of its annual budget on higher education. In the last budget year, the share of the state budget spent on higher education had shrunk to slightly over 10%. Ironically, this lessening of expenditures coincides with a time of increasing demand for higher education. The high school graduating class in 2010 will be the largest in California's history: 380,000 students. So supply is clearly not keeping up with the demand for higher education in California.

But now let me turn from the general picture of higher education to focus specifically on community colleges in California. As I survey the state of California's community colleges, I am reminded of the opening sentences in Charles Dickens' great novel, *The Tale of Two Cities*. "It was the best of times; it was the worst of times. . . . It was the spring of hope; it was the winter of despair." That succinctly describes the state of community colleges in California.

So what is the good news about our community colleges? Statewide we number 110 colleges; this is the largest system of higher education in the world. In the last school year (2008-09), we educated 2.89 million students, a record enrollment for California community colleges.

And still we continue to grow. In the fall semester, community colleges increased the number of students by 3% over the previous fall semester

despite the fact that colleges were forced to cut classes. Most colleges reported that over 95% of their classes were completely filled, with thousands of students on waiting lists.

Why are community colleges so popular? For one thing, we are the primary source of job training. In a time of deep recession, thousands of students have enrolled in our career technical programs such as nursing, auto servicing, firefighting, construction, and computer specialist training. People have learned that community colleges produce results in these practical fields. A recent study indicated that students who earn a vocational degree or certificate in our colleges increase their wages by 50% in three years, from an average wage of \$28,087 annually to \$53,828.

Community college is also the place where students seek transfer education. As UC and CSU have been forced to limit enrollments, students turn to community colleges for the first two years of college. Actually, the community college is often the first choice of many students because of our quality instruction, individual attention, and reasonable cost.

As you know, the Master Plan stated that the University of California would serve the top 12 1/2% of high school graduates and that California State University would serve the top 33 1/3% of these graduates. Whom do the community colleges serve? The top 100%.

So we are the college of the open door. This clearly has its challenges. It means that we have to provide basic skills for many students, often called remedial education. But we accept this challenge and instruct and assist these students who need this help.

It is the community college that fulfils the American ideal enunciated in the Declaration of Independence that all men are created equal. This promise essentially means is that all persons in America are entitled to an equal opportunity. And no opportunity is more essential to upward mobility than the opportunity for an education. It is the essential gateway to a better life.

Without the community college, where would the low-income student go who must continue to work and live at home because of economic necessity? Who else would serve the single mother who desires to move from a minimum wage job to a better-paying profession such as nursing? Where else can the recent immigrant who desperately needs to improve English

skills turn? So that is the good news. We are the great open door institution; we are justifiably proud of the invaluable contribution we make to the state of California.

But, unfortunately, there is bad news. Simply put, it is this: the community colleges do not have the resources to fully meet the mission outlined in the Master Plan. Therefore, the Master Plan with its grand ideal of higher education for every qualified student is clearly in jeopardy today.

In this fiscal year, the California community colleges received an 8% reduction in funds from the state. I have been connected with California community colleges since 1973; never have we experienced a cut of this magnitude.

You ask, "How does this cut harm students?" Let me clearly spell this out. Although we do not deny admission to any high school graduate, community colleges deny a college education to students when they cannot enroll in classes because they are completely filled.

To explain this problem, I must make clear how community colleges are funded. Each college receives an allocation from the state based on the number of full-time equivalent students that are enrolled. Yet each college has an enrollment cap, mandated by the state. For instance, if a college has an enrollment cap of 10,000 full-time equivalent students for a year, it receives no remuneration for students educated beyond this number. So it is understandable that a college will not schedule classes for which they receive no remuneration. To do otherwise would lead to financial disaster.

But the sad result of this enrollment cap is that students cannot enroll in classes they desperately need. So a college education is denied or delayed. Recently the California Post Secondary Commission (CPEC) warned that as many as 400,000 students could be denied education in California community colleges in the next two years because of this funding shortage.

Frankly, this is a tragedy. We in higher education may not have been killed with a lethal blow, but we have been wounded with a thousand cuts. And it is the students who suffer the most by this denial of college education. And eventually this not only affects the individual student, but it also negatively impacts the economy of California.

Remember that this state's greatest resource is its human capital. This has accounted for the vibrant growth of our economy in areas such as computers, entertainment, international trade, and countless other enterprises. But as a state when we suffer from a lack of educated personnel in the future, we will slowly see our standard of living decline and our tax base deteriorate.

However, I am not suggesting that those of us in higher education will simply wring our hands and complain about this situation. We continue to do our job. The faculty, staff, and administration in the community colleges are taking steps to be as productive and cost effective as possible under difficult circumstances. Visit one of our campuses and you will observe full classes from 7:00 a.m. in the morning to 10:00 p.m. in the evening. We have established priorities, emphasizing transfer education, career technical programs, and basic skills instruction as recommended by the Legislature. Our offerings in distance education (i.e., computerized and televised instruction) have increased; that will reduce our facility and parking crunch. And we are working closely with the University of California and California State University to improve transfer. Recently, President Yudof, Chancellor Reed, and I have appointed a task force to study transfer and recommend reforms. In essence, we will consider any recommendations from this committee to improve our service to the state. We share your realization of how important higher education is to the future of California.

But I must be blunt: we cannot do more with less. Every community college would be happy to add more classes and hire the faculty to teach them. However, to do this with the present lack of funding would eventually lead to financial ruin.

So my fundamental recommendation to this committee as you study the Master Plan is simple: fully fund the Master Plan. In early 1941, England was facing Nazi Germany; its very survival was threatened. Winston Churchill, England's indomitable leader, turned to the United States for help. He simply stated, "Give us the tools, and we will finish the job." In like manner, my plea to this committee is essentially the same. "Give us the tools, and we will finish the job."